

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 7105**

**BILL NUMBER:** HB 1182

**NOTE PREPARED:** Jan 20, 2015

**BILL AMENDED:** Jan 20, 2015

**SUBJECT:** Fire Training Academy.

**FIRST AUTHOR:** Rep. Frye R

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
☐ **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) *Membership Increase*- The bill increases the Board of Firefighting Personnel Standards and Education (BFPSE) from 11 to 13 members.

*Fire/Public Safety Academy Training System*- The bill requires the Division of Fire and Building Safety (DFBS) of the Indiana Department of Homeland security (IDHS) to establish a fire and public safety academy training system to create and conduct programs to train public safety personnel. The bill allows the DFBS to develop the programs in cooperation with other agencies, organizations, or educational institutions.

*New Fund*- The bill establishes the Fire and Public Safety Training System Fund (Fire Fund).

**Effective Date:** July 1, 2015.

**Explanation of State Expenditures:** *Membership Increase*- The BFPSE's members are reimbursed for their service on the board. State employee members are eligible for travel and duty expenditure reimbursement. Nonstate employee members are eligible for travel and duty expenditure reimbursement as well as a per diem. A two-member increase in the membership of the BFPSE would increase board expenditures.

*Fire/Public Safety Academy Training System*- The bill establishes the Fire and Public Safety Academy Training System. The DFBS would develop the programs for training emergency medical service personnel, telecommunicators, emergency management personnel, and chemical, biological, radiological, nuclear, and explosives personnel. (Currently, the DFBS already develops the training program for firefighters, including volunteer firefighters). However, the bill does not provide for any staff for the proposed Academy.

The DFBS would be able to ask development assistance for the Academy training program from accredited educational institutions, fire fighting associations, the Emergency Response Commission, Emergency Medical Services Commission, the BFPSE, or any other public safety agency of the state, political subdivision of the state, or public safety organization or association.

It may be possible for the DFBS to use the above resources for Academy instruction staff. The Indiana Law Enforcement Academy often uses volunteer instructors for teaching certain classes to law enforcement recruits in the pre-basic class and for inservice training of established law enforcement officers. If the proposed Academy system could recruit volunteer instructors, some of the cost of training could be mitigated.

*New Fund-* The establishment of the Fire and Public Safety Training System Fund (Fire Fund) would provide funding for the operation of the proposed Academy system. Administration of the Fire Fund would be paid by money in the Fire Fund. The IDHS would administer the Fire Fund. Under its rule-making authority, the IDHS could establish fees for the use of the Academy system in order to help fund it.

Ultimately, the source of funds and resources required to satisfy the requirement to establish the Academy may require additional legislative and administrative actions.

**Explanation of State Revenues:** *New Fund-* The Fire Fund could receive:

- (1) money appropriated by the General Assembly,
- (2) fees collected from local units and safety providers,
- (3) donations and gifts (including real or personal property), and
- (4) money received from any other source, *including* transfers from other funds or accounts.

The Fire Fund would have any unused balance invested by the Treasurer of State. Money in the Fire Fund at the end of a state fiscal year would not revert to the state General Fund.

*Additional Information-* The DHS's Statewide Fire and Building Safety Fund had a free balance of \$384,697 at the close of FY 2014. The Fund received \$114,864 in plan review fee revenue with \$6,880 expended in training during the same year. The DHS's operating fund had a free balance of \$147.3 M at the close of FY 2014. The DHS fund received \$19.3 M in federal grant monies with \$94,281 expended for training during FY 2014.

The DHS reverted \$60,141 from three funds (two of them within the state General Fund) at the close of FY 2014.

**Explanation of Local Expenditures:** *New Fund-* If fees were established to inject money into the proposed Fire Fund to help operate the proposed Academy training system, political subdivisions participating would see an increase in expenditures to pay the IDHS the fees. Any expenditures would depend on the establishment of fees by the IDHS.

**Explanation of Local Revenues:**

**State Agencies Affected:** Division of Fire and Building Safety within the Indiana Department of Homeland Security, Board of Firefighting Personnel Standards and Education.

**Local Agencies Affected:** Political subdivisions.

**Information Sources:** State Budget Agency Closeout Report Reversions June 30, 2014; Auditor's Trial Balance report June 30, 2014.

**Fiscal Analyst:** Chris Baker, 317-232-9851